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Supreme Court of the United States

Supreme Court, U.S.
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October Term, 1966

No. 709

McCULLOUGH TOOL COMPANY, *et al.*,

Petitioners,

vs.

WELL SURVEYS, INCORPORATED, *et al.*,

Respondents.

Petition for a Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit.

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Respondents.

Petition for a Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit.

McCullough Tool Company, Robert W. Pringle, Kenneth I. Roulston, George M. Brownell, and Philip W. Martin, Petitioners herein, pray that a Writ of Certiorari issue to review the Judgment of the United States Court of Appeals for the Tenth Circuit entered in the above entitled case on July 22, 1966.

Opinions Below.

This Petition seeks a review of the Judgment of the Court of Appeals for the Tenth Circuit (Appendix p. 37-A), which denies Petitioners' Motion (Appendix, pp. 1-A-36-A), which petitioned the Court of Appeals for the Tenth Circuit to review its decision dated March 17, 1965 (Original Appendix, p. 58a)[1] and reverse it in

[1]To avoid duplication in printing, permission of the Court has been obtained to use the Appendix which was filed in connection with the original Petition for Certiorari. This Appendix will be referred to as "Original Appendix" to distinguish from the Appendix filed with this Petition.

view of this Court's decision in *Graham, et al. v. John Deere Company of Kansas City, et al.; Calmar, Inc. v. Cook Chemical Company; Colgate-Palmolive Company v. Cook Chemical Company*, 383 U.S. 1, 15 L. Ed. 2d 545 (hereinafter referred to as *Graham v. John Deere*). The original Opinion of the Court of Appeals for the Tenth Circuit (Original Appendix, pp. 1a-57a), is reported at 343 F. 2d 381, and the Opinion of the United States District Court for the Northern District of Oklahoma (Original Appendix, pp. 61a-117a) is reported at 199 Fed. Supp. 374.

Petitioners filed a Petition for Writ of Certiorari on July 19, 1965, which was denied.

Following this, this Court's decision in *Graham v. John Deere* was published, whereafter Petitioners' Motion to the Court of Appeals for the Tenth Circuit was filed.[2]

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[2]A Petition for Rehearing before the Supreme Court was filed on a misuse question but not on invalidity of Swift because of our conviction that the proper procedure was to raise this question by bringing a Motion before the Lower Court. In a similar situation, namely, the case of *McCullough v. Kammerer Corporation and Baash-Ross Tool Company*, 65 S. Ct. 293, 89 L. Ed. 273, a question of misuse was first raised before the Court of Appeals and a Petition for Certiorari was filed before the Supreme Court. In that case the Supreme Court refused to grant the Writ because the matter had not been properly raised in the Lower Court. The Supreme Court said:

> "Thus the only question for which we granted certiorari is one not properly raised, litigated or passed upon below. [authorities cited.] The grounds asserted for the allowance of certiorari are inadequately supported by the record, and the writ is therefore *Dismissed*."

The matter was thereafter properly raised in the Lower Court and in the decision of the Ninth Circuit (156 F. 2d 343) the patent in suit was held to be unenforceable because of misuse.

Jurisdiction.

The Judgment petitioned from was entered July 22, 1966, and this Petition is being filed within the time limit.

Jurisdiction of the Court is invoked under 28 U.S.C. 1254(1).

Questions Presented.

1. This Court granted writs in the *Graham v. John Deere* case because of the serious conflicts of tests of invention being applied by the Courts of the different Circuits; and this Court laid down in no uncertain terms specific and exact rules to be followed by all Lower Courts and by the Patent Office in order to secure uniformity.

The Question is: As a matter of certiorari policy should this Court, in order to fully achieve its purpose in the *Graham v. John Deere* case, grant the writ in this case to compel compliance by the Tenth Circuit with what is in effect a mandate by the Supreme Court in order to secure uniformity of law in all of the Circuits?

2. The Tenth Circuit in its denial of Petitioners' Motion[3] did not have before it any Findings of Fact on: (a) The scope and content of the prior art; (b) The differences between the prior art and the claims in issue; and (c) The level of ordinary skill in the art. The

[3]The Court of Appeals for the Tenth Circuit merely said: "It is further ordered that each of the above motions be and the same are hereby denied." (Appendix, p. 38-A).

Motion asked the Court either to review the case and reverse its decision in view of the *Graham v. John Deere* case, or to remand the case to the Trial Court in order that proper Findings of Fact would be formed by the Court on the three essential factual inquiries required by the decision in *Graham v. John Deere.*

The Question is: Should the Court of Appeals for the Tenth Circuit be required to remand this case to the Trial Court in order that there will be a factual basis on which a decision may be rendered applying the tests demanded by *Graham v. John Deere.*

3. The Trial Court and the Court of Appeals for the Tenth Circuit, in upholding the validity of the Swift patent, held the patent valid on the ground that "new and better results were achieved".

The Question is: Is the ruling of the Courts below upholding validity of Swift using the test of "new and better results" such a departure from the requirements of Rule 35 U.S.C. §103 as interpreted in *Graham v. John Deere* that the decision should be reversed?

4. Did the Court of Appeals for the Tenth Circuit err in ignoring the tests laid down by *Graham v. John Deere* and holding Swift valid by applying the incorrect and repudiated test of "new or better results"?

5. Did the Court of Appeals for the Tenth Circuit err in refusing to remand the case to the Trial Court to make a determination of: (a) The scope and content of the prior art; (b) The differences between the prior art and the claims in issue; and (c) The level of ordinary skill in the art; and to require the Trial Court to apply the test of obviousness as required by *Graham v. John Deere?*

6. Was the subject matter sought to be patented by Swift and the prior art such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains?

Constitutional Provisions and Statutes Involved.

Article I, Section 8, clause 8, of the Constitution of the United States provides:

"The Congress shall have Power

* * *

"To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries; * * *"

35 U.S.C. §103:

"§103. Conditions for patentability; nonobvious subject matter

"A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made."

Statement of the Case.

Involved in this Petition is the foremost question of this Court taking appropriate action to compel the Court of Appeals for the Tenth Circuit to follow the law laid down by this Court in *Graham v. John Deere.* Unless this is done there will be no uniformity between the Tenth Circuit and the Supreme Court, nor the Tenth Circuit and other Circuits on how United States Statute 35 U.S.C. §103 is to be interpreted or applied.

The only factual portion involved is the Swift Patent No. 2,554,844 [R. 1109], the prior art with respect to this patent, and, of course, the Findings of Fact by the Trial Court and the statements in the Tenth Circuit's Opinion with respect to this patent.

The Swift patent discloses a simple structure, namely, a device for logging a well and at the same time locating the position of collars of a casing which previously was lowered into the well.

At the time Swift made his invention the logging tool portion of Swift's assembly was on the market and in public use. Swift refers to this in his patent [R. 1109], [duplicated in this Petition for convenience as Exhibit 1] column 1, lines 16 to 30 and column 2, line 55, to column 3, line 12. Swift then states [Column 1, line 31; *et seq.*] that he has found accurate measurements can be made if a casing collar locator is added to the logging instrument which functions to locate the collars as the formations are being located. Starting at column 3, line 13, Swift proceeds to describe the manner in which he adds a magnetic casing collar locator to the standard logging device. That this is all Swift did is emphasized in claims 5 and 6, in

which the first nine lines are describing the standard logging apparatus, and the remaining eight lines describe the casing collar locator with the introductory statement "the improvement which comprises" [see claim 5, lines 70 and 71, and claim 6, lines 9 and 10] [R. 1112-1113].

We make brief reference to the prior art at this point to show the environment in which the patent statutes have been so grossly misinterpreted by the Trial and Tenth Circuit Courts.

At the time Swift made his invention it was old in the art to log wells and it was old to locate collars, both of which have been admitted by Swift [also see Finding of Fact 63, R. 86, Original Appendix, pp. 89a-90a]. It was also old, as shown in the Doll Patent No. 2,476,137 [R. 2793, Ex. 170] to combine a casing collar locator 37 and a Geiger counter 35 on a common cable; and to record their activity by the recorders, 48 for the Geiger counter and 52 for the collar locations.[4] Doll avoids cable error by measuring distance between the formation, the formation marker 15 and the adjacent casing collar joint marked "C", as shown in Fig. 2 of Doll patent [R. 2796].

The patent to Castel No. 2,459,499 [R. 2848, Ex. 229] teaches the use of both a mechanical or electrical casing collar locator for locating casing collars for accurately locating the position of the formation. Castel states:

> "* * * In order to insure a high degree of accuracy in perforating operations, it is desirable to check the position of the perforator as determined

[4]For convenience there is attached hereto as Exhibit A a drawing of prior art devices which will be referred to.

from cable measurements with its position relative to a casing joint the depth of which is accurately known." [Column 1, lines 32-37, R. 2851].

In column 8, he states:

"* * * Inasmuch as the apparatus may be readily lowered into the bore hole on an electric cable, it enables depths determined from cable measurements to be checked against depths determined by computations from measurements of the casing section lengths. By providing for the accurate location of these casing joints, apparatus such as a gun perforator, for example, may be accurately located at the level of a formation to be produced." [lines 37-46, R. 2854].

The Schlumberger prior public use,[5] as shown in the attached Exhibit A discloses two instruments, both of which have a Geiger counter (sometimes referred to as a Geiger-Mueller tube), a casing collar locator, circuitry which extends to the surface of the ground and a recorder at the ground for recording well formations and the casing collars.

Exhibit 215, a log of the Schlumberger Company shows how the formations and the collars are indicated on the recorder at the surface of the ground. One of the Schlumberger instruments includes a single cable 20 [Ex. 228, R. 2847] and the other employs two cables 10 and 11 [Ex. 227, R. 2846].

Schlumberger's employee Ramsay recognized that gamma rays from the formations actuated the recorder and recorded formations at points marked "F" on the

[5]Schlumberger evidence is contained in the Record at 1027 through 1093 and Exs. 214 to 239 [R. 2829 through 2864].

right-hand log of the attached Exhibit A. See R. 1044 and 1048 where Ramsay, referring to these excursions "F" said:

> "These are in response to natural radiation from the formations triggering the radioactive detector."

Also see Ramsay cross-examination [R. 1047, 1048, 1059, 1060, 1065 and 1069].

In the face of the background of the anticipating patents,[*] the Tenth Circuit only considered new results and utterly failed to consider whether or not it was obvious at the time Swift made his invention for a person of ordinary skill in the art to have combined these old elements. The Tenth Circuit utterly turned its back on the question of obviousness, and basing its decision on new result, notwithstanding that it was conscious of what Schlumberger had done, stated:

> "* * * It is also true that the Schlumberger prior use discloses a casing collar locator and a Geiger counter but the collar locator is not magnetic and the Geiger counter is used to locate a radioactive bullet placed in the well before it was cased rather than to detect radioactivity from the earth's formations. * * *" (Original Appendix, pp. 15a-16a).

If the Tenth Circuit had considered the teaching of the Castel Patent [R. 2848], namely, that a mechanical casing collar locator and an electric casing collar locator are the full equivalent of each other, and that Ramsay, in operating the combination casing collar locator and Geiger tube, actually located formations, that

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[*]In this discussion Petitioners are referring to but a few instances of the prior art. In the evidence of this case there are sixteen prior patents and three different public uses.

Court, if it had followed the law of this Court, would most certainly have reached the conclusion of invalidity on the ground of obviousness.

It is clear from the decisions of these lower Courts that they misinterpreted and misapplied the Federal Statute 35 U.S.C. §103.

All of the opinions of these Courts were directed toward whether or not new or better results were accomplished. Not an iota of the Courts' attention was directed to whether or not it would have been obvious to a skilled mechanic to combine a logging tool and a casing collar locator.

The Trial Court's Findings 55, 57 and 62 (Original Appendix, pp. 85a, 86a, 87a and 89a), which appear to be the pertinent ones, are all Findings of first solving of the problem of commercial success, new and useful results, new combination of elements, and lack of anticipation. The Court of Appeals for the Tenth Circuit directed its attention to new and useful results, great utility, lack of anticipation (343 F. 2d 381 at 392, Original Appendix, p. 14a), and in summation of its application of the wrong test which was struck down by this Court in the *Graham v. John Deere* decision, the Tenth Circuit said:

> "* * * *Generally where elements old in the art are united in such a way that a new and useful result is secured or an old result is attained in a more facile, economical and efficient manner, there is a patentable combination.* Bewal, Inc. v. Minnesota Mining and Mfg. Co., 10 Cir., 292 F.2d 159;

> Oliver United Filters v. Silver, 10 Cir., 206 F. 2d 658, cert. denied, 346 U.S. 923, 74 S.Ct. 308, 98 L.Ed. 416." (Emphasis added.) (Original Appendix, pp. 16a-17a).

Again we emphasize the absolute failure of the Trial Court and the Court of Appeals for the Tenth Circuit to make any of the factual inquiries demanded by the Supreme Court in its *Graham v. John Deere* decision.

The Trial Court Did Not Determine "the Scope and Content of the Prior Art."

The first factual determination required by this Court is that of the *scope* and *content* of the prior art be ascertained.

Critically examined, Findings of Fact 53 to 65 [R. 83-86, Original Appendix, pp. 85a-90a] directed to the Swift patent exhibit a total absence of real consideration of the "scope and content" of the prior art. In the entirety of these findings only one prior reference —"the Ennis patent"—is even mentioned. The observation of the Trial Court with respect to that reference is:

> "The prior art, and particularly the Ennis patent, does not *anticipate* Swift. * * *" (Emphasis added) [Finding 62, R. 86, Original Appendix, p. 89a].

The word "anticipate" in patent law has the connotation of negating novelty—a condition of patentability or patent validity defined by 35 U.S.C. 102 alone. Thus,

the "finding" that "the prior art * * * does not anticipate Swift" is merely a finding of *naked novelty* in the alleged invention defined by the Swift claims. This finding has nothing whatsoever to do with either "the scope and content of the prior art" or the question of obviousness under Section 103.[7]

The only other fact finding by the Trial Court which even colorably relates to "the scope and content" of the prior art is Finding 63, which in its entirety states:

> "Magnetic casing collar locators and radioactivity well logging systems were separately known long prior to the invention of the Swift patent. It was also old long prior to the invention of the Swift patent to transmit multiple signals of a common conductor." [R. 86, Original Appendix, pp. 89a-90a].

This finding fails altogether to recognize additional elements of "the *scope* and content of the prior art" acknowledged in the opinion of this Court. It is totally lacking in substance required to satisfy Section 103.

The inadequacy and impropriety of the Trial Court's findings in this regard is inescapable.

There was no factual determination of the content and scope of the sixteen prior art patents or three public uses relied on by Petitioners, and there is *no finding* which satisfies the requirements of Section 103.

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[7] In its *Graham-Calmar-Colgate-Palmolive* opinion, the Supreme Court recognized "three explicit conditions" for patentability—"novelty and utility as articulated and defined in Sections 101 and 102 and nonobviousness * * * as set out in Section 103" (p. 553). In the concurrently rendered *Adams* opinion, the Court observed that "novelty and nonobviousness—as well as utility—must be satisfied in a valid patent."

The Trial Court Did Not Ascertain the Differences Between the Prior Art and the Claims in Issue.

Because the first factual inquiry, namely, that of determining the scope and content of the prior art, was not made, obviously this second factual determination cannot be made.

Findings directed to similarities and differences between the structure at issue and the prior art are a vital part of the investigation which must be made before the third factual finding can be made.

The Trial Court Did Not Determine the "Level of Ordinary Skill" in the Art.

Finally, there is no fact finding of the Trial Court which even mentions the "level of ordinary skill" in oil well logging or oil well tool design as of the time that the alleged Swift invention was made. The bare conclusionary statement that:

> "The new combination of elements forming the Swift invention and their *new mode of operation* was not obvious to those skilled in the art at the time the Swift application was filed." (Emphasis added) [Finding 62, R. 86, Original Appendix, p. 89a].

is *not* a finding of the level of ordinary skill in the pertinent art either as of "the time the Swift application was filed" or as of "the time the [alleged] invention was made" (35 U.S.C. 103).

Without findings on the scope and content of the prior art and the differences between the prior art and

Swift, the precise accomplishment of Swift has not been factually determined, and, therefore, there is no basis upon which to determine if what Swift did was or was not obvious to a person of ordinary skill. Thus, the Supreme Court quite correctly requires that there be a factual determination of the three elements which, as it states, is the background against which obviousness or nonobviousness of the subject matter is determined (*Graham v. John Deere*).

Reasons Why Writ Should Be Granted.

1. There is an irreconcilable conflict between the decision of the Tenth Circuit and the Supreme Court on a Federal Statute, namely 35 U.S.C. §103, and the manner in which that Statute should be interpreted, and more particularly, the test of "new or better results" as applied by the Tenth Circuit versus the factual inquiries as required by the Supreme Court as elucidated in *Graham v. John Deere*. This conflict is a real conflict on the matter of law. This irreconcilable conflict is of major importance because it concerns the tests which are to be applied by all Federal Courts in determining patentability. This Court is a court of law and the question involved is a question of law, although some facts must be considered because obviously the Court cannot consider the legal conflicts *in vacuo*. The Tenth Circuit has either disregarded, misconstrued or misapplied *Graham v. John Deere*, and certiorari should be granted to clarify the matter.[8] The *Graham v. John Deere* decision was decided on February 21, 1966,

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[8] *McCandless v. Furland*, 296 U.S. 140 and *Upshaw v. United States*, 335 U.S. 410.

while the original decision of the Tenth Circuit was March 17, 1965, and rehearing denied April 20, 1965.[9]

The original decision of the Tenth Circuit predates this Court's decision in *Graham v. John Deere*, and we call to this Court's attention that it may grant certiorari and reverse the judgment summarily on the authority of its own intervening decision.[10]

2. There is conflict between the Tenth Circuit and other Circuits which are following, as they should, the Supreme Court's edict in *Graham v. John Deere*. More particularly, the Eighth Circuit recognizes that the three tests required by the Supreme Court are its guidelines in determining obviousness or unobviousness[11] and the Eighth Circuit has followed the Supreme Court's ruling in the cases included in the following footnote.[12]

3. The Supreme Court assiduously reviewed the tests applied by the lower Courts, particularly the Fifth and Eighth Circuits, for the purpose of determining the effect of the 1952 Patent Act, which, for the first time, set forth its new statutory formulation on non-

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[9]Following denial of rehearing a Petition for Writ of Certiorari to the Supreme Court directed principally to anti-trust matters was filed; which proceedings were terminated on or about May 16, 1966.

[10]*Helvering v. Wiese*, 292 U.S. 614.

[11]*L & A Products, Inc. v. Britt Tech Corp.*, decided Aug. 29, 1966, ...F. 2d ...., 150 U.S.P.Q. 770 at 772.

[12]*American Infra-Red Radiant Co. v. Lambert Industries, Inc.* (C.A. 8, 1966), 360 F. 2d 977; *Kell-Dot Industries, Inc. v. Graves* (C.A. 8, 1966), 361 F. 2d 25; *Skee-Trainer, Inc. v. Garelick Mfg. Co.* (C.A. 8, 1966), 361 F. 2d 895; *Automated Building Components v. Hydro-Air Engineering* (C.A. 8, 1966), 362 F. 2d 989; *Piel Manufacturing Company v. George A. Rolfes Co.* (C.A. 8, 1966), 363 F. 2d 57. A review of published decisions indicates that the law laid down by the Supreme Court has been followed in recent decisions.

obviousness, stating "* * * In the title itself the Congress used the phrase 'Conditions for patentability: *non-obvious subject matter,*' thus focusing upon 'non-obviousness' rather than 'invention.' * * *". This Court's intent was to determine the meaning of the statutory provision and to lay down specific rules for the lower Courts and Patent Office to follow:

> "* * * We believe that strict observance of the requirements laid down here will result in that uniformity and definitiveness which Congress called for in the 1952 Act.
>
> "While we have focused attention on the appropriate standard to be applied by the courts, it must be remembered that the primary responsibility for sifting out unpatentable material lies in the Patent Office. * * * This is itself a compelling reason for the Commissioner to strictly adhere to the 1952 Act as interpreted here. This would we believe, not only expedite disposition but bring about a closer concurrence between administrative and judicial precedent."
>
> *Graham v. John Deere,* 383 U.S. 1, 15 L. Ed. 2d 545, 556-557.

4. The Tenth Circuit apparently refuses or neglects to follow the law this Court laid down in that in denying Petitioners' Motion its only decision consisted of the words "* * * are hereby denied.". Thus, the Tenth Circuit allowed its decision to stand on the basis of the new or better results test. The law of this Court should be uniform between the Circuits. There should not be a different law in one Circuit than another. which would have the effect of inducing forum shop-

ping, by guiding litigants toward or away from the Tenth Circuit because it applies a different test of invention than other Circuits.

All of the Trial Courts in the Tenth Circuit will rely upon the Tenth Circuit's decision in *Well Surveys, Incorporated, et al. v. McCullough Tool Company, et al.*, and, therefore, will be following the wrong law. Ultimately the Tenth Circuit must be straightened out and it is far better to do it now rather than wait for an accumulation of erroneous decisions.

5. The present case is of compelling importance because of the widespread public interest in the Swift patent.[13] There have been fifteen law suits filed in various parts of the county.[14] Only one of these suits has been tried, namely, the present one, and in this case the Judgment is erroneous because patentability was based on the wrong test. All other cases except *Well Surveys, Inc. v. Perfo-Log, Inc.*, Civil Action No. 9542, pending in the United States District Court for the Western District of Oklahoma, have been terminated by consent judgments or dismissals with the defendants taking licenses, or have been terminated by defendants going out of business.

Respondents, since the date of entry of the interlocutory judgment on March 16, 1961, have engaged

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[13]"It is * * * important to the public that competition should not be replaced by worthless patents * * *" *Pope Mfg. Co. v. Gormully*, 114 U.S. 224, 234, 36 L. Ed. 414, 418, 12 S. Ct. 632 (1892). Repeatedly, the Supreme Court has characterized the public interest in freedom from the strictures of the invalid patents as "dominant," "paramount," "transcendent" and the like.

[14]See Affidavit of R. Welton Whann attached to Motion as Exhibit 1, Appendix, p. 16-A).

in an oppressive industry-wide[15] program of misuse of its patents as established by the Affidavits attached to the Motion from which this Petition is filed (Appendix, p. 16-A).[16] Suits have been settled and licensees have been obtained by the threats of expensive litigation, and in a number of these cases well operators have yielded to taking licenses based on the representation that the patent has been held valid by the Tenth Cir-

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[15]That Respondents' illegal activities are nationwide is established by the following statement:

> "We did not directly threaten suit; however, we did state that it was the present policy of WSI to assert the WSI patents throughout the industry. That, in particular, the Swift Patent was believed to be almost universally used and we were asserting it wherever infringement was found. We said that in fairness to existing licensees it was our belief that it would be necessary that well logging operators either take a license or that we should sue them under the patents they infringe. Mr. Childs said that, in other words, we were going to require the radioactivity well logging operators to either assume the burden of paying royalty or the burden of the defense of a suit. We agreed that this is the substance of WSI's policy."

This statement is taken from a recently obtained Dresser Industries document, the entire document being attached hereto as Exhibit 2.

[16]In *Carbice Corporation of America v. American Patents Development Corporation, et al.*, 283 U.S. 420, the Supreme Court in a prior decision (283 U.S. 27) had not ruled on validity of the patent believing it unnecessary. *Carbice* petitioned the Court to rule on validity and the decision states:

> "* * * The reason assigned was the inauguration by the Dry Ice Corporation of a campaign of intimidation against customers of the Carbice Corporation by releasing to the public press a statement that the validity of the patent as sustained by the Court * * *" (283 U.S. 421)

The Supreme Court, upon rehearing, held the patent in suit invalid.

cuit.[17] As a part of Respondents' plan and program of controlling the entire industry, the Swift patent has been used for compelling payments of royalties on dual conductor arrangements which are outside the scope of the claims of the Swift patent.[18]

6. Because there is no well survey operator financially able to fight Respondents, it is unlikely that there will ever be litigation in any other Circuit carried far enough to reach the Supreme Court, and we, therefore, respectfully submit that since the decision below is clearly wrong this Court should grant certiorari under the policy laid down in *Schriber-Schroth Co. v. Cleveland Trust Co.*, 305 U.S. 47, 50, and cases cited.

7. The Tenth Circuit is so clearly wrong in holding the Swift patent valid and is so clearly wrong in refusing to follow the *Graham v. John Deere* case that there should be a summary reversal or at the very least a remand with instructions to send the case to the Trial Court for the purpose of considering the three factual inquiries of the *Graham v. John Deere* case with respect to obviousness under 35 U.S.C. §103.

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[17]See Affidavits of William A. Snyder, William D. Witcraft, and Landon N. Roberts, attached to Motion as Exhibits 2, 3 and 4, respectively (Appendix, pp. 18-A, 21-A, 27-A).

[18]This is patent misuse under a host of authorities. See *Morton Salt Co. v. Suppiger*, 314 U.S. 488, *United States v. Masonite Corp.*, 316 U.S. 265, *Mercoid Corporation v. Mid-Continent Co.*, 320 U.S. 661, *American Securit Co. v. Shatterproof Glass Corp.*, 268 F. 2d 769, *B. B. Chemical Co. v. Ellis*, 314 U.S. 495.

In *Securities & Exchange Commission v. Otis & Co.*, 338 U.S. 843, this Court summarily reversed the Lower Court because the decision was so clearly erroneous as to make argument before the Court a waste of time.

Respectfully submitted,

R. WELTON WHANN,
Attorney for Petitioners.

Of Counsel:

EDWARD S. IRONS,

October 19, 1966.

May 29, 1951 L. M. SWIFT 2,554,844

CASING COLLAR LOCATOR

Filed March 22, 1946

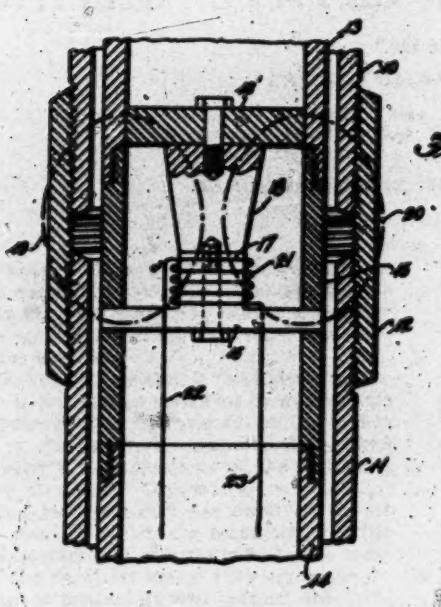


Fig. 1.

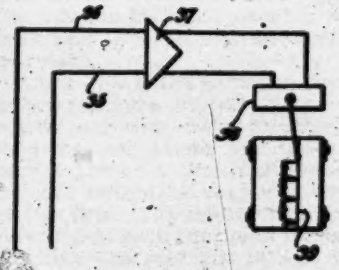


Fig. 3.

Fig. 2.

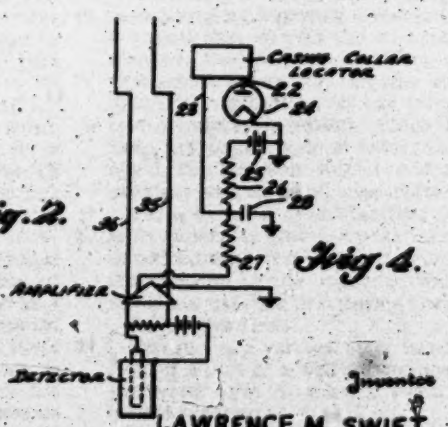


Fig. 4.

Inventor

LAWRENCE M. SWIFT

By James Y. Clarkson

Attorney

EXHIBIT 1.

Patented May 29, 1951 2,554,844

UNITED STATES PATENT OFFICE

2,554,844

CASING COLLAR LOCATOR

Lawrence M. Swift, Tulsa, Okla., assignor to Well Surveys, Incorporated, Tulsa, Okla., a corporation of Delaware

Application March 22, 1946, Serial No. 656,181

6 Claims. (Cl. 73—152)

1

This invention relates to the art of well logging and more especially to apparatus adapted to simultaneously log a well and record the position relative to the well log of markers fixed along the depth of the well bore.

The object of well logging is to obtain a series, preferably a continuous series, of measurements characteristic of the drillhole or of the strata surrounding the drillhole, and correlate these measurements with indications of the depths at which they are made. Ordinarily, the results of the well logging operation are obtained in the form of a chart in which the magnitudes of the various measurements are plotted against indications of the depth at which they are made.

In the usual process of well logging, the indications of depths are the result of measurements of the amount of cable paid out from the surface to the well logging instrument in the well bore. Experience has shown that such measurements are not always accurate. It is difficult to measure accurately the amount of cable paid out; the cable is inclined to stretch due to its own weight and the weight of the surveying instrument attached to its lower end; and at times the well logging instrument may bind to a greater or lesser degree in the drillhole. For all of these reasons it is desirable to accurately confirm the depth measurements obtained by measuring the amount of cable paid out.

In accordance with the present invention, it has been found that accurate indications of depths may be obtained, which may be used as a check against the measurements of the amount of cable paid out, or may be used instead of these measurements, if the well surveying device is so constructed that it not only performs the usual well surveying function, but also generates an appropriate signal each time that it passes one of a series of markers already placed at fixed depths in the well. Such markers are preferably the junctions between the sections of the well casing. Since well casing normally consists of standard lengths of pipe joined by steel collars, there occurs in the ordinary cased well a difference that can easily be detected at each junction between casing sections. This difference consists in a break in the casing wall and the additional band of steel comprising the collar, which surrounds the break and connects adjacent lengths of casing.

Under such conditions, if a magnetic field is created in the well bore and caused to be of such a configuration as to extend into the surrounding casing, and this field is lowered down the well bore, it will remain substantially unchanged except when it passes a junction between two casing sections. At that time, the break in the casing wall, or the surrounding band of steel comprising the collar, or both, will alter the configuration of the magnetic field to such an extent as to be easily detectable.

2

Along with a well surveying device which is to be lowered into a drillhole, it is a relatively simple matter to provide means for creating a magnetic field that will extend into the well casing and also to provide a detecting means that will detect any substantial change in the configuration of this field. The signal which results from the detection of such change in configuration of the magnetic field may then be used to determine or calibrate the depth scale against which the primary measurements are recorded.

According to the present invention this is accomplished by imposing a distinctive signal upon a circuit that carries the well logging measurements to the recorder at the top of the well and this signal causes the recorder itself to make a distinctive indication on the record each time a casing junction is passed. Since the casing junctions are passed only at intervals some distance apart, the resulting signal need not disturb the ordinary well log to an appreciable extent.

For a detailed understanding of the preferred embodiment of this invention and for a further understanding of its general principles, reference may be had to the appended drawings and the following detailed description thereof.

In the drawings:

Figure 1 is a vertical view, partly in cross-section, of a part of a well surveying device with the preferred form of marker locating means embodied therein;

Figure 2 is a circuit diagram illustrating the manner of connecting the marker locating means into the electrometer circuit of the well logging device;

Figure 3 is a circuit diagram of a recording circuit for use in conjunction with the electrometer circuit illustrated in Figure 2; and

Figure 4 is a diagrammatic illustration of the electrical system for the subsurface apparatus used in radioactivity well surveying, showing the instant invention and its relation thereto.

As shown in Figure 1, the usual cased well is lined with a series of casing sections, such as are indicated at 10 and 11, and adjacent casing sections are joined by casing collars, as illustrated at 12.

It is now common practice to explore cased

wells by lowering into them an exploring capsule suspended from a cable which extends from the surface. Such a capsule normally consists of an outer shell enclosing one or more electrical or electronic measuring devices, and whatever electrical circuits are necessary for transmitting the information obtained by the exploring device or devices, to the surface of the earth. The enclosing capsule is usually comprised of one or more sections of cylindrical steel casing closed at the ends and attached to the lower end of a supporting cable.

Two sections of such a casing are illustrated at 13 and 14, and normally these two sections would be screwed together to form a tight seal. In order to incorporate the principles of this invention in the well surveying instrument, however, an additional section of cylindrical casing 15 may be inserted between the original casing sections 13 and 14. This new section 15 is arranged to screw tightly in the place between the original sections and is of sufficient strength to withstand the pressures that are to be encountered, but is made of a non-magnetic material such, for example, as brass.

Mounted in the non-magnetic casing section 15 there is an annular pole piece 16 of a magnetic material. This pole piece 16 may be constructed to extend through the walls of the non-magnetic casing section 15 so that its outer periphery is flush with the outer wall of the casing. Pole piece 16 is connected to or made integral with a magnetic flux conductor 17 which extends upwardly and connects with a strong permanent magnet 18. The linking piece 17 lies between the pole piece 16 and the permanent magnet 18, and the permanent magnet 18 is positioned within the end of the adjacent casing section 13 which is of magnetic material.

The upper pole piece 18' of magnet 18 is also made annular in shape. By making both the upper pole of magnet 18 and the pole piece 16 annular in shape they will always contact the casing where no casing joints are located regardless of the orientation of the instrument in the well.

The permanent magnet, its linkage element and pole pieces may be secured together by screws as illustrated in Figure 1.

With such an arrangement of elements a magnetic circuit is established with the well casing as the instrument traverses the well. The circuit may be defined to include the magnet 18, its annular pole, a portion of the instrument housing 19, the well casing, annular pole piece 16, and linkage 17. The reluctance of this circuit will remain substantially constant when the instrument is travelling a section of well casing and as a result a substantially constant flux will flow in the magnetic circuit. However, when the instrument traverses a junction between adjacent sections of casing, the reluctance of the magnetic circuit is changed and as a result there will be a change in the magnetic flux flowing in the circuit. The change in reluctance is due to a change in the magnetic circuit which may be brought about in at least two ways.

One way in which a change in magnetic circuit occurs is by the additional metal in a casing collar. When the instrument is adjacent a casing collar, the new magnetic circuit includes the magnet 18, the annular pole piece, a portion of the instrument housing 19, casing section 14, casing collar 12, casing section 13, annular pole piece 16, and linkage 17. As the instrument traverses the casing junction, the reluctance of the magnetic circuit will vary, thereby producing a change in the magnetic flux flowing in the circuit. This change in flux may be detected by a coil 21 positioned about the pole piece 16. The change in the flux field that links the coil 21 will produce a voltage that will cause current to flow in an external circuit that is connected to conductors 22 and 23.

Another way in which the magnetic circuit can be changed is by making pole piece 16 thin relative to the length of the air gap between the ends of adjacent casing sections. With such an arrangement, when the pole piece 16 passes ends of adjacent sections of casing which are connected by a collar, an air gap is introduced in the magnetic circuit. This will greatly increase the reluctance of the circuit resulting in a decrease in the magnetic flux flowing in the circuit. This produces a change in the flux field linking coil 21 thereby producing a voltage that will cause a flow of current in an external circuit which is connected to the conductors 22 and 23.

As illustrated in Figures 2 and 4, the signal current carried from the coil 21 by the conductors 22 and 23 is used to impress on the output circuit of the well logging device, an appropriate signal indicative of the passing of a casing junction.

First, since the passing of a casing junction changes the magnetic field and then permits the magnetic field to return to its previous state, there results in the coil 21, a current first in one direction and then in the other. By connecting the conductor 22 to ground through a rectifier 24, the current in one direction is eliminated and the signal, which is to be used, is reduced to a single surge of current in one direction.

By properly connecting the conductor 23 to an element of one of the amplifier output tubes 30 of the well surveying circuit, this surge of current can be caused to momentarily alter the output of that tube to send a distinctive signal to the recording equipment at the surface of the earth.

It is preferred to accomplish this by furnishing the normal grid bias for the output amplifier tube 30 from a battery 25 connected in series with resistances 26 and 27 to the grid 29 of the amplifier tube 30. The conductor 23 is then connected to this circuit between the resistances 26 and 27 and a condenser 28 is connected between the conductor 23 and ground. Minor currents generated by reason of small variations in the well casing will not affect the action of the amplifier tube 30, but instead will pass through the condenser 28, the resistor 26 and the battery 25 to ground without any appreciable effect on the amplifier tube. However, by properly proportioning the condenser and resistances, the surge of current that occurs when a casing collar is passed will be sufficient to change the charge of the condenser to an appreciable extent. Until this charge on the condenser has leaked off through the resistor 26 and battery 25, the change in voltage will affect the grid 29 of the amplifier tube 30 and send to the surface the desired indication.

By properly arranging the polarity of the signals from the coil 21, that is, by causing the rectifier 24 to pass current in the proper direction, and properly proportioning the resistances 26 and 27 and the condenser 28, the surge of current that results from the passing of a casing junction can be caused to charge the condenser 28 so as to place an additional negative bias on the grid 29 when the casing junction is

passed. If the arrangement is such that this bias is sufficient, the bias can be made to completely stop the operation in the tube, thus making the output of the well logging circuit momentarily zero. This condition will continue for only so long a time as it takes the condenser to discharge through the resistor 28, probably not more than one-half to two seconds, and this interruption, when observed at the surface is an indication of the passing of a casing junction.

Numerous other arrangements may obviously be utilized for impressing an indication of each casing junction on the output of the well surveying device, but the one described has been found simple and practical.

In Figure 3, there is shown a simple form of a surface recorder which comprises input leads 36 and 36 connected to an amplifier 37, the output of which is connected to a recorder 38. As shown on the chart paper of the recorder, the pen of the recorder drops back to a zero line 39 each time a casing junction is passed.

To simplify the explanation of the present invention, its principles have been applied to a very simple type of well logging circuit. In practice, it has been found desirable to apply the same principles to a well logging circuit of the type described in the Scherbatskoy et al. Patent No. 2,349,225, granted May 16, 1944. In applying the principles to the circuit shown in the Scherbatskoy et al. patent, the grid 148 of the output amplifier 118' in Figure 7 of that patent, will be controlled by the circuit illustrated in Figure 2 of this application. On the surface, the output of both the phasing and the signal circuit will drop to zero when the output of the device of the well is interrupted and hence the meter 281 in the phasing circuit of Figure 12 will indicate the interruptions and can be arranged to record them on the well log. One expedient way to do this is to arrange for a second pen on the well logging recorder and to connect this second pen so that it will be operated when the output of the phasing circuit drops to zero. The second pen can thus place an indication on the chart independent of the well log. It is worth noting in connection with the application of the principles of this invention to the apparatus of the Scherbatskoy et al. patent, that since both the signal current and the phasing current drop to zero when a casing junction is passed, the position of the well logging recorder pen will not be affected but will simply remain constant during the short interruption in signals.

I claim:

1. Apparatus for logging cased wells that comprises means for detecting at a plurality of depths in a well bore phenomena characteristics of the surrounding strata by producing signals proportionally related to said phenomena, means for concomitantly establishing a magnetic field extending into the surrounding casing, means for detecting variations in said magnetic field due to junctions of the casing sections by producing an additional signal, means for combining said first signals and the additional signal, a recorder located at the surface of the earth, means for transmitting the resultant signals to the recorder for actuation of the same.

2. Apparatus for logging cased wells that comprises first detecting means for detecting at a plurality of depths in a well phenomena characteristic of the surrounding strata by producing signals proportionally related to said phenomena, means for producing with the casing of the well a magnetic circuit, means for energizing said magnetic circuit to produce a flow of flux therethrough, a second detecting means for detecting a change in the magnetic flux when the junction of adjacent casing sections form a part of the magnetic circuit by producing signals indicative thereof, means for introducing the last mentioned signals into the first detecting means to superimpose them on the signals characteristic of the phenomena being detected by said first detecting means, a recorder located at the surface of the earth, means for transmitting the resultant signals to the recorder for the operation of the same.

3. Apparatus for logging a cased well that comprises first detecting means for detecting at a plurality of depths phenomena characteristic of the surrounding strata by producing proportionally related signals, said means including means for amplifying said signals, means for transmitting the signals to the surface of the earth and a recorder located on the surface of the earth adapted to be actuated by the transmitted signals, second detecting means associated with said first detecting means for detecting the junctions between adjacent sections of casing whose depths are known, means operable by said second detecting means for altering the operation of said amplifying means when adjacent the junctions whereby the record of the recorder will indicate the location of the junctions relative to the phenomena being detected by said first detecting means.

4. Apparatus for logging a cased well that comprises first detecting means for detecting at a plurality of depths phenomena characteristic of the surrounding formations by producing proportionally related signals, means for traversing the well with said detecting means, said detecting means including electronic means which utilizes at least one thermionic tube for amplifying said signals, a recorder located at the surface, means for operating the recorder in coordination with the depth at which the detections are made, and means for transmitting the amplified signals to the recorder for the operation of the same, means associated with said first detecting instrument and adapted to move with the first detecting instrument for detecting the junctions of adjacent sections of casing when they are traversed by producing signals indicative of the junctions, means for impressing the last recited signals on an element of the thermionic tube of the amplifier forming a part of the detecting means to vary the operation of the amplifier when a junction is traversed, whereby the record of the recorder will indicate the location of the junctions relative to the phenomena being detected by said first detecting means.

5. In a system for logging cased wells having a capsule which is adapted to traverse the well and which contains means for producing a varying signal proportionally related in its magnitude of variation to a selected physical property of the surrounding strata, a recorder driven in correlation with the depth of the capsule, and means for transmitting the varying signal to the recorder for the operation of the same, the improvement which comprises means for detecting casing collars which are traversed by the capsule by producing signals indicative of their proximity, means for introducing said signals into the transmitting means of said system, whereby an indi-

cation of the casing collar signals will be produced on the record made by said recorder.

6. In a system for logging cased wells having a capsule which is adapted to traverse the well and which contains means for producing a varying signal proportionally related in its magnitude of variation to a selected physical property of the surrounding strata, a recorder driven in correlation with the depth of the capsule, and means for transmitting the varying signal to the recorder for the operation of the same, the improvement which comprises magnetic means for detecting casing collars which are traversed by the capsule by producing signals indicative of their proximity, means for introducing said signals into the transmitting means of said system, whereby an indication of the casing collar signals will be produced on the record made by said recorder.

LAWRENCE M. SWIFT.

REFERENCES CITED

The following references are of record in the file of this patent:

UNITED STATES PATENTS

Number	Name	Date
2,186,519	Walker	May 2, 1940
2,219,274	Scherbatskoy	Oct. 22, 1940
2,228,422	Ennis	Jan. 14, 1941
2,281,968	Vacquier	May 5, 1942
2,421,422	Kramow	June 3, 1947

EXHIBIT 2.

To: Files.
Date: July 14, 1961 Dresser Industries, Inc.
From: D. L. Sroufe Inter-Office Correspondence

Subject: WSI-Negotiations with Western Co.—Trip to Fort Worth July 13

Copy to: Jay Beaver
J. D. Mayson.

Jay Beaver and I went to Fort Worth Thursday, July 13, to discuss points in issue in the controversy with Western Company. We met with Mr. Childs, President, Walter Beadle, Executive Vice President, and J. S. Brown, Controller. The conference was devoted to a discussion of (a) accounting for past royalty under the existing license, (b) the unauthorized release of confidential information contained in field manuals and (c) infringement of Swift Patent and possibly other WSI patents.

With regard to the question of accounting, Mr. Brown explained in some detail their interpretation of the accounting provisions in the license and the procedure they have followed in reporting. He stated that if the procedure they have followed is erroneous, they will pay the correct amount. It was agreed that Jay Beaver would review the details of their procedure with Claude Hale and Bob Schumacher and let them know whether or not we still question their accounting. Offhand, their basis for accounting appeared to me .o be proper, but it is possible that another interpretation of the accounting provisions of the WSI agreement could lead to another result.

With regard to the unauthorized release of confidential information, we stated our position to the effect that the agreement we had had with them prevented the dissimilation of this information, further that the field manuals were clearly marked to show that they were property of Well Surveys and contained confidential information which was not to have been disclosed to anyone without permission of WSI. Mr. Childs seemed fairly hostile at this point. He refused to discuss why they had given the manuals to McCollough and asked if we were so mad about this that we were not willing to continue our discussion about a possible license. We told him that we were displeased, but that we were prepared to discuss the need for licenses for their infringing operations. He then said that he assumed we were merely stating our complaint to get it "on file" and that we could consider it was received in the spirit in which it was given.

We then discussed the question of patent infringement and stated that certain operations of Western Company, in our opinion, infringe the Swift Casing Collar Locator Patent. We said that under the interpretation of the claims of the Swift Patent by Judge Savage in the McCollough suit, we felt almost any Radioactivity Well Log using a Casing Collar Locator to correlate depth would be an infringement. We also mentioned the likelihood that they infringe our Calibrator Patent and the Norelius Neutron Logging Patent. Jay Beaver specifically mentioned the fact that we have been told that they copied the WSI design of its Neutron Calibrator. This was denied by Mr Clark and he stated that, in their opinion, they do not infringe our Calibrator Patent. We told them that there may be other patents which they are infringing,

but that we are not sufficicntly advised as to their equipment and operations to express an opinion at this time. It was suggested that Mr. Beaver give them a list of our patents, but they stated that they already have a list of our patents, and that they would again review our patent position—at least as to Swift and the patents we had mentioned.

We mentioned the Schlumberger Patents and Mr. Beaver said that it was quite likely that they would infringe the Krasnow Power Supply. At one point, Mr. Clark said that the patents of Schlumberger contained claims which are so broad that if they are valid, it would be almost impossible to avoid infringement. However, he indicated that, in his opinion, they could not be as broad as this. He said that Western Company has been, in effect, waiting for the air to clear in the litigation involving McCollough, PGAC and Dresser to determine who does have valid patents. This idea was further emphasized by Mr. Childs and he repeated several times the ground rules on which they would accept a license: (1) The Licensing Company must have a proven position in the field, (2) Licenses must have been accepted under the patents by other reputable service companies in the field. (3) The royalty rates are reasonable and other terms of the contract are not restrictive so as to put the Western Company at a competitive disadvantage. He said he would expect us to get all of the other logging companies to take licenses so that they would be paying the same royalty rate for the same type of service. We assured him that we are actively licensing the entire industry and that, in particular, we have recently asserted the Swift Patent and we told him that we

have licensed over thirty (30) companies to date. At this time they asked about PGAC and Welex and we told them that we are negotiating with both companies, and that the terms for a license agreement had been agreed upon in our negotiations with Welex. We also told them that the issue had been so drawn in our negotiations with PGAC that either PGAC would take a license under the Swift Patent or we would probably have no alternative but to bring the Swift Patent into the litigation with PGAC.

Mr. Childs told us that they have no intention of being unreasonable and that although they did not think we had any patent position a year ago, they realized that the decision in the McCollough suit and our licensing activities may have changed the picture. He said that they would have their Patent Lawyers review our license proposal and our patents, and if the conditions he had stated (quoted above) were met, they would take a license.

We left them a copy of the License Agreement for a 5% license under the Swift Patent and a copy of the 6% License Agreement for the full package, including Schlumberger patents for users of equipment other than WSI-designed equipment. Mr. Childs did ask if we were offering only the license under Swift or the "package" and we told him that we had not really discussed a package of patents with him. We explained that we had merely mentioned two patents in addition to the Swift Patent, which we thought that they might infringe. We told him that WSI has a great many patents and that it might well be that if they examine our patents they might find that other patents were needed. We told him that if this were the case, we

would be happy to discuss a license for them under any patents that they might need.

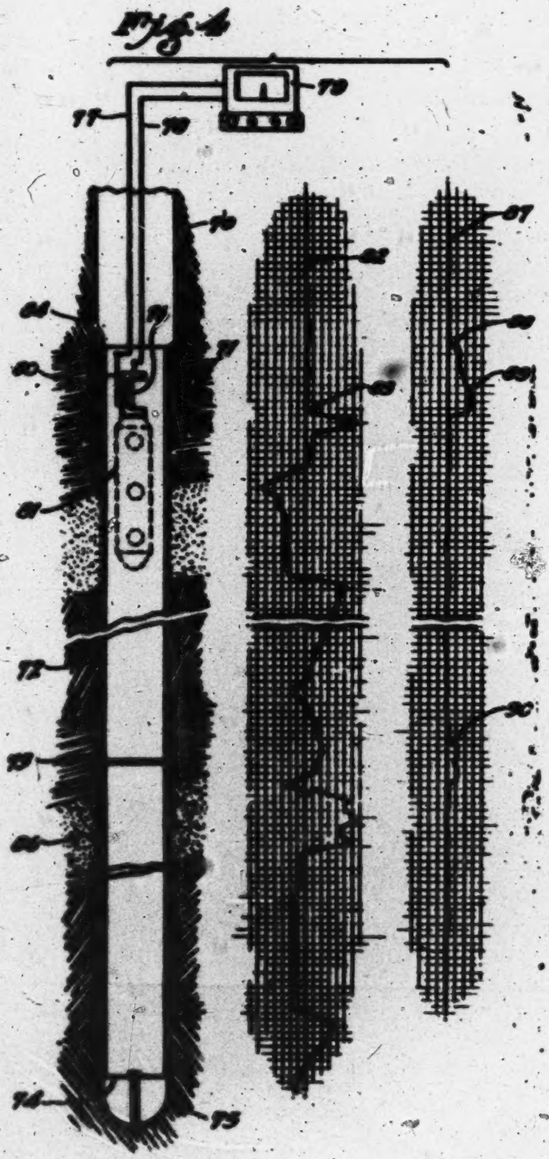
We did not directly threaten suit; however, we did state that it was the present policy of WSI to assert the WSI patents throughout the industry. That, in particular, the Swift Patent was believed to be almost universally used and we were asserting it whereve. infringement was found. We said that in fairness to existing licensees it was our belief that it would be necessary that well logging operators either take a license or that we should sue them under the patents they infringe. Mr. Childs said that, in other words, we were going to require the radioactivity well logging operators to either assume the burden of paying royalty or the burden of the defense of a suit. We agreed that this is the substance of WSI's policy.

DEL

DLS:pal

Ennis Patent
No. 2,228,623

Fig. 4

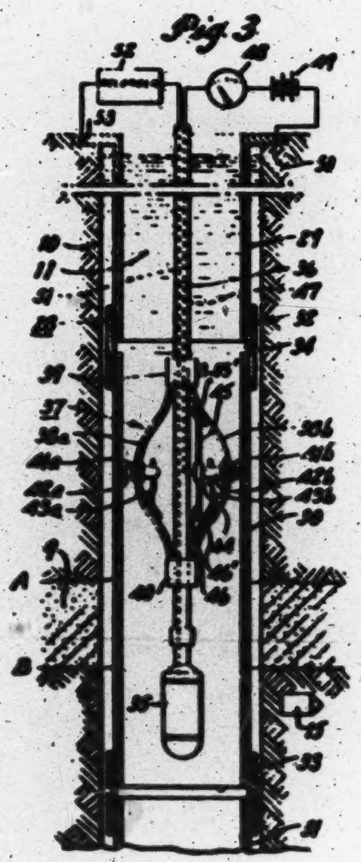


Doll Patent

No. 2,476,137

Fig. 2

Fig. 3



Castel Patent

No. 2,459,499

FIG. 1.

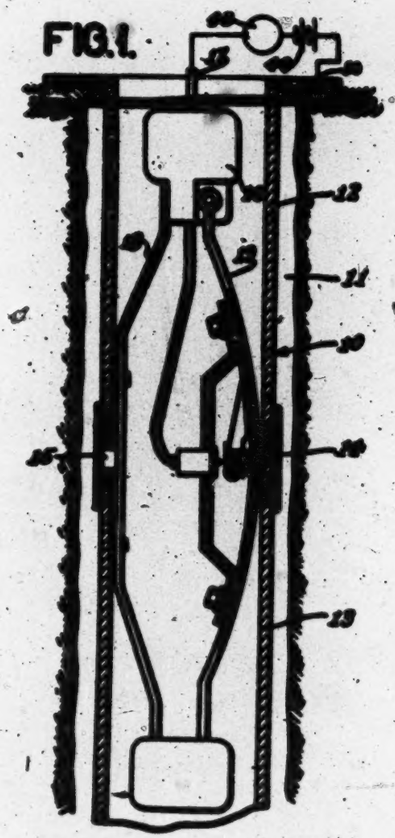
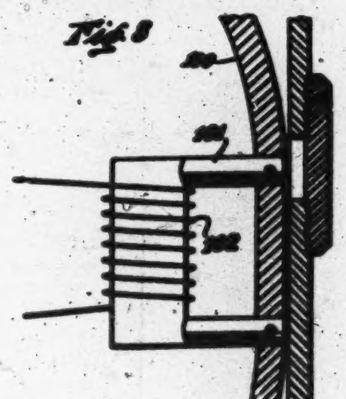
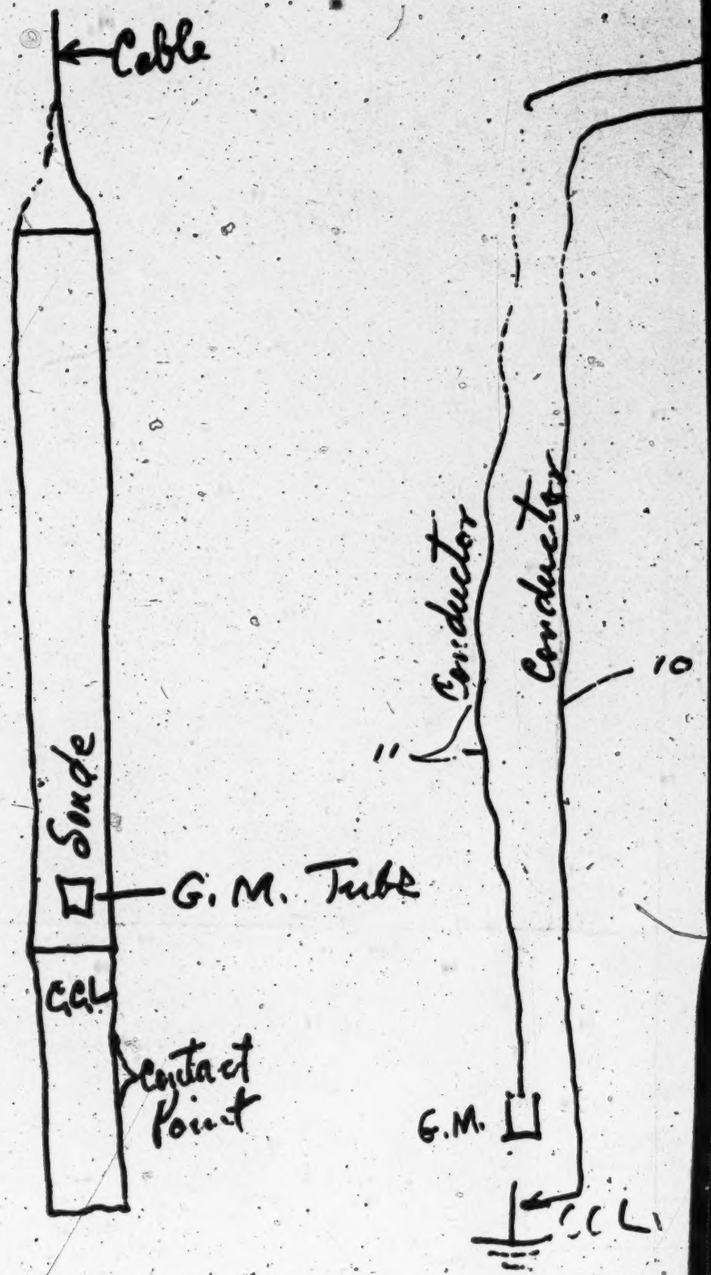


FIG. 8



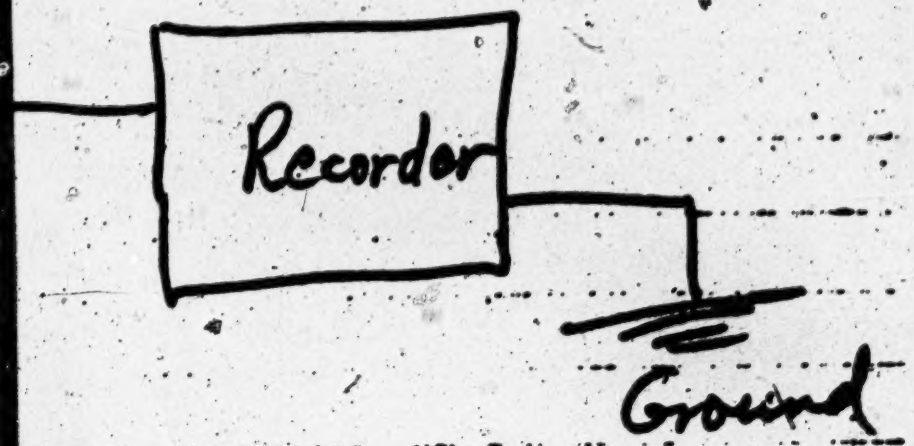
Schlumberger Prio

Ex. 227



Schlumberger Prior Public Use

Ex. 228



N. Tube

Caller Locator

J. L. McATEE
COURT REPORTER
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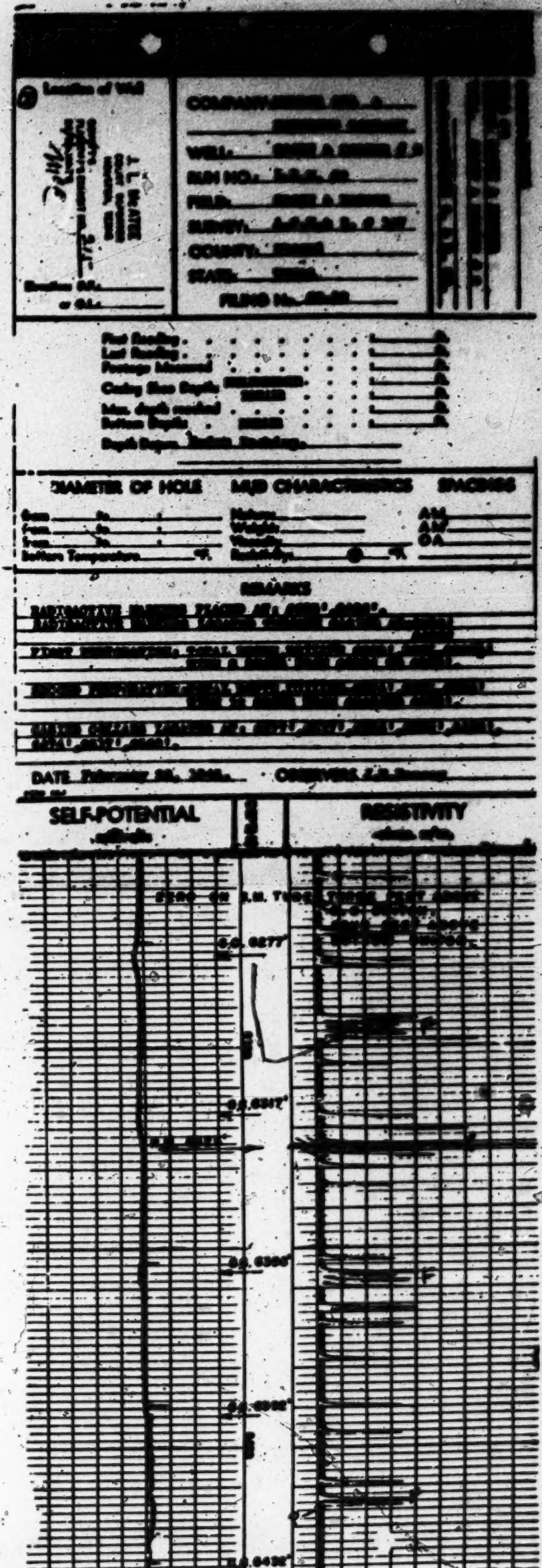
PLAINTIFF'S EXHIBIT NO. 228
DEFENDANT'S

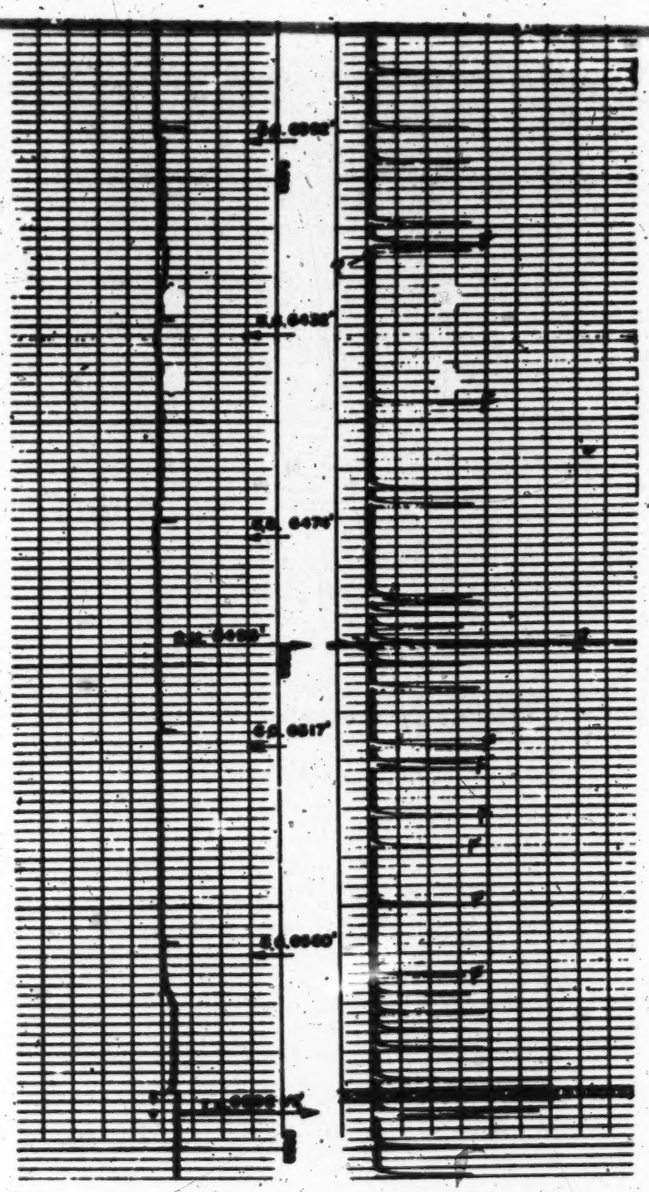
R E Cullough

Schlumberger Prior Public Use - Ex. 215



COVINGTON
PLAINTIFF'S EXHIBIT NO. 128
DEFENDANT'S

M E Cullough



SUPREME COURT, U. S.

Office-Supreme Court, U.S.
FILED
OCT 20 1966
JOHN F. DAVIS, CLERK

IN THE

Supreme Court of the United States

October Term, 1966

No. 709

McCULLOUGH TOOL COMPANY, *et al.*,

Petitioners,

vs.

WELL SURVEYS, INCORPORATED, *et al.*,

Respondents.

Appendix to Petition for a Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit.

R. WELTON WHANN,
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Parker & Son, Inc., Law Printers, Los Angeles. Phone MA. 6-9171.

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Exhibit 2. Affidavit of William A. Snyder 18-A

Exhibit 3. Affidavit of William D. Witcraft ..21-A

Exhibit 4. Affidavit of Landon N. Roberts 27-A

Exhibit 5. Affidavit of Raymond F. Rathman ..32-A

Exhibit 6. Affidavit of Welton B. Whann 34-A

Judgment of the Court of Appeals for the Tenth Circuit 37-A

APPENDIX.

IN THE

United States Court of Appeals

FOR THE TENTH CIRCUIT

No. 6952

McCULLOUGH TOOL COMPANY, ROBERT W. PRINGLE, KENNETH I. ROULSTON, GEORGE M. BROWNELL, and PHILIP W. MARTIN,

Appellants,

vs.

WELL SURVEYS, INCORPORATED (by change of name now DRESSER SIE, INC.) and DRESSER INDUSTRIES, INC., a corporation,

Appellees.

No. 6953

McCULLOUGH TOOL COMPANY,

Appellant,

vs.

WELL SURVEYS, INC. (by change of name now DRESSER SIE, INC.),

Appellee.

Appeal From the United States District Court for the Northern District of Oklahoma.

Motion to Modify the Mandate of This Honorable Court to Permit the Filing in the Trial Court of a Motion to Vacate the Interlocutory Judgment Entered March 16, 1961 With Respect to Swift Patent No. 2,554,844, or, in the Alternative, to Consider This Motion as a Petition to Recall the Mandate of This Honorable Court and Treat This Motion as a Petition for Rehearing in This Court.

Appellant McCullough Tool Company hereby moves this Honorable Court as follows:

I.

To modify its Mandate to permit filing a Motion in the United States District Court for the Northern District of Oklahoma (copy of which accompanies this Motion) to vacate the interlocutory judgment entered March 16, 1961 with respect to the Swift Patent No. 2,554,844, and to hold said patent invalid and non-infringed, to dissolve the Injunction against McCullough Tool Company, and to permit the District Court to conduct such proceedings and take such action as it may consider appropriate;

or, in the alternative,

II.

To consider this Motion as a petition to recall the Mandate of this Honorable Court and treat this motion as a petition for rehearing in this Court to vacate the interlocutory judgment with respect to the Swift Patent No. 2,554,844, to hold said patent invalid and dissolve the Injunction against McCullough Tool Company.

This Motion is brought before this Court under the authority of *Simmons Co. v. Grier Bros. Co.*, 258 U.S. 82, which at page 91 states:

> "As the decree in question was entered pursuant to the mandate of an appellate court, proper deference to its authority required that a proceeding to reopen it, whether by rehearing or review, should be first referred to that tribunal. [Authorities cited.]"

This Motion is brought on the ground or basis that new facts of compelling force have occurred since this Court rendered its decision on the appeal from the Trial Court's interlocutory judgment. The new facts are that the Supreme Court of the United States, on February 21, 1966, decided a group of cases holding that the tests applied by this Court and also by the Trial Court were improper, erroneous tests of patentability, and laying down the proper test of patentability under 35 U.S.C. 103.

The test applied in this case by both the Trial Court and this Court is contrary and in direct conflict with the Supreme Court decisions.[1]

The issuance of this profound and far-reaching decision affecting so many decisions of so many courts and the public in general is an extraordinary and compelling circumstance and warrants the hearing and granting of this Motion or alternative Motion.

The Supreme Court cases referred to are *Graham et al. v. John Deere Company of Kansas City, et al.; Calmar, Inc., v. Cook Chemical Company; Colgate-Palmolive Company v. Cook Chemical Company,* .... U.S. ...., 15 L. Ed. 2d 545 and 148 U.S.P.Q. 459, and *United States v. Adams,* ...., U.S. ...., 15 L. Ed. 2d 572, and 148 U.S.P.Q. 479.

These decisions set down the law with respect to the legal test to be applied under Patent Statute 35 U.S.C. 103, and is a mandate or edict to Trial Courts and Courts of Appeal to strictly follow the rules and tests laid down by the Supreme Court in these decisions.

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[1]This statement is inserted here to provide the Court with a brief statement of grounds for rehearing under McCullough's alternative motion.